Workforce/Economic Development Policy Group

Rationale: Individuals need education and training beyond high school to achieve economic self-sufficiency. According to the Bureau of Labor Statistics, in 2000, as many as 85 percent of today's jobs require education beyond high school; by 2020, 15 million new jobs will require some postsecondary education. However, only 40 percent of the 110.5 million U.S. adults currently in the workforce (age 25-65) have at least a two-year postsecondary degree, and only 3 million new adults will enter the workforce with such credentials. This leaves a deficit of 12 million skilled workers.

In Kentucky, 40 percent of adults age 16 to 64 function at the two lowest levels of literacy, and one in four adults age 25 and older have not completed high school or a GED. The U.S. Census reports that only 17 percent of Kentuckians hold a bachelor's degree or higher and Kentucky's per capita income is only 81 percent of the national average. Additionally, the demographics of Kentucky's workforce are shifting rapidly due to greater participation by women, ethnic, and cultural minorities, and other individuals not traditionally in the workforce.

Strong research and development capacity also is being built and sustained at Kentucky's universities and in the private sector. As ideas generated from university research are commercialized, Kentucky will require a highly motivated, well-educated workforce that can participate and prosper in this knowledge economy.

Finally, Kentucky must create a fluid educational system that provides the training and credentials necessary for career success throughout each citizen's life. This system must increase access to educational opportunities, remove barriers to degree completion, and encourage lifelong learning.

Purpose: To develop dynamic, strategic connections between postsecondary education, workforce, welfare, and economic development entities that increase postsecondary access and success; to align postsecondary education with current and emerging needs of business and industry; to understand and respond better to students' needs and expectations as they prepare for employment and business creation; and to nurture an entrepreneurial climate and culture that encourages students to create their own businesses.

Policy Areas:

- 1. Areas of knowledge and competency needed to compete in the current and emerging workplace.
- 2. Policies and institutional strategies necessary to attract students into high demand jobs, anticipate and respond to changing educational demands, prepare workers in the state's shortage areas, provide educated Kentuckians for the workforce, and support those who create their own businesses.
- 3. Partners' roles and responsibilities to provide educational opportunities to workers.
- 4. Goals and performance indicators appropriate for partners to ensure a high-performance, high-quality workforce and education system.

- 5. Enhanced economic and educational effectiveness of Bucks for Brains and links between Bucks for Brains' R&D and commercialization programs and funding.
- 6. Labor market projections.

Council members:

Norma Adams Ron Greenberg John Hall Esther Jansing Charles Whitehead Steve Barger, ex officio

Partners:

Council on Postsecondary Education
Postsecondary institutions
Cabinet for Economic Development Board
Kentucky Innovation Commission
Workforce Development Cabinet Secretary
Cabinet for Families and Children Secretary
Kentucky Board of Education
State Chamber of Commerce Board
State Human Resource Management Board
Labor
Private sector
Legislators